

IN THE CLAIMS:

Kindly amend claims 1 and 4, 8-10 by rewriting them.

1. (Currently Amended): A method of fabricating a varistor with zinc phosphate insulation, wherein the varistor has a body with two outer terminals respectively formed on two opposite ends of the body, the fabricating method comprising:

applying and depositing a phosphate compound on a surface of the body, wherein an over-saturated phosphate liquor is kept at a high temperature to deposit the phosphate compound on the surface of the body;

heating the phosphate compound until the phosphate compound turns to a transparent element; and

applying metal materials on the two outer terminals of the body, wherein the outer terminals of the body are uncovered by the transparent element so the metal material is formed on the outer terminals directly; wherein the transparent element has an anti-etch feature to keep the surface of the body smooth during the step of applying metal materials.

2. (Previously Presented): The fabricating method as claimed in claim 1, wherein the method further comprises the step of removing the transparent element after the step of applying metal materials to expose the surface of the body.

3. (Previously Presented): The fabricating method as claimed in claim 2, wherein the method further comprises the step of applying a protective coating after the step of removing the transparent element to form a protective coating on the surface of the body.

4. (Previously Presented): The fabricating method as claimed in claim 1, wherein the method further comprises the step of applying a protective coating on the transparent element after the steps of applying the metal materials to protect the surface of the body.

5. (Previously Presented): The fabricating method as claimed in claim 1, wherein the metal materials comprises at least one base layer and at least one solder layer sequentially formed on each outer terminal.

6. (Original): The fabricating method as claimed in claim 1, wherein the over-saturated phosphate liquor consists of phosphate ions, zinc ions, inorganic ions and metal ions.

7. (Previously Presented): The fabricating method as claimed in claim 1, wherein the step of applying metal materials uses a spray plating process.

8. (Currently Amended): The varistor fabricated by the method in claim 1 comprising:
a body having
an exposed surface;
and two opposite ends.
two outer terminals formed on the two opposite ends and having an outer face;
and

~~insulation~~ transparent element formed on the exposed surface to prevent the exposed surface of the body from being etched by the electrolyte in an electroplating process and to prevent metal material from being electroplated on the exposed surface of the body.

9. (Currently Amended): The varistor as claimed in claim 8, wherein the varistor further comprises a protective coating formed on the ~~insulation~~ transparent element.

10. (Currently Amended): The varistor as claimed in claim 8, wherein the varistor further comprises at least one base layer ~~formed on the outer face~~ and at least one solder layer sequentially formed on the outer face of each outer terminal ~~base layer~~.

at least one base layer and at least one solder layer sequentially formed on each outer terminal.

11. (Original): The varistor as claimed in claim 8, wherein the protective coating is an organic material coating such as acrylic polymer, polyester or epoxy polymer.
12. (Original): The varistor as claimed in claim 8, wherein the base layer is copper.
13. (Original): The varistor as claimed in claim 8, wherein the base layer is nickel.
14. (Original): The varistor as claimed in claim 8, wherein filler in the body is an oxide semiconductor of zinc oxide and other metal oxides.
15. (New): The fabricating method as claimed in claim 1, wherein the step of applying metal materials uses a rolling plating process.
16. (New): The fabricating method as claimed in claim 1, wherein the step of applying metal materials uses a barrel electroplating process.
17. (New): The fabricating method as claimed in claim 1, wherein the step of applying metal materials uses an electroless plating process.